

OMB No. 0608-0049: Approval Expires 11/30/2002		BEA USE ONLY	Affiliate ID Number	C
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FORM (REV. 6/99)

BE-10B(SF) SHORT FORM (Report for Nonbank Foreign Affiliate)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name of U.S. Reporter of foreign affiliate — Same as item 1, Form BE-10A

2. Name of foreign affiliate being reported — Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Forms BE-11 and BE-577.

IMPORTANT

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. **"Additional" Instructions** specific to line items and **"Special" Instructions** for dealers in financial instruments and finance, insurance, and real estate companies are provided at the back of this form. For banks and bank holding companies, see the report forms for banks and the **Instruction Booklet**, Part I.C.

Who must report — The U.S. Reporter must file Form BE-10B(SF) for:

1

each majority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; or net income after provision for foreign taxes was greater than \$7 million (positive or negative), but for which no one of these items was greater than \$100 million (positive or negative) at any time during the affiliate's 1999 fiscal year;

2

each minority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues excluding sales taxes; or net income after provision for foreign taxes was greater than \$7 million (positive or negative) at any time during the affiliate's 1999 fiscal year; and

3

each nonbank foreign affiliate of a U.S. **bank** Reporter for which total assets, sales or gross operating revenues excluding sales taxes, or net income after provision for foreign taxes was greater than \$7 million (positive or negative) at any time during the affiliate's 1999 fiscal year. See **Instruction Booklet**, Part I, for detailed reporting requirements.

NOTE — If the foreign affiliate is exempt from being reported on Form BE-10B(SF) and is not a bank, see the reporting requirements for form BE-10B(LF) and BE-10A SUPPLEMENT A. The foreign affiliate must be reported on one of those forms.

Foreign affiliate's 1999 fiscal year — The foreign affiliate's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A.

Due date — A complete BE-10 report is due on the following dates:
May 31, 2000 for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;
June 30, 2000 for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

Translation of foreign currency financial and operating data into U.S. dollars — Use U.S. generally accepted accounting principles (FASB 52). See **Instruction Booklet**, Part IV.B.

Currency amounts — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each line. **EXAMPLE** – If amount is \$1,334,891.00, report as

Bil.	Mil.	Thous.	Dols.
	1	335	

If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

Contact us for help — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — See **Additional Instructions** for Part I on page 12 at the back of this form.

3. Number of foreign affiliates consolidated in this report — Do not consolidate affiliates located in two different countries. See the **Instruction Booklet**, Part I.B.2.c.(1). If your answer to this question is 2 or more, you must complete **Supplement B (page 11)** of this report. If this report is for a single foreign affiliate, enter "1" in the box.

1003

Number

1

4. Does this foreign affiliate have a direct equity interest in other foreign affiliates, including branches of this affiliate, that are not fully consolidated in this BE-10B(SF)? – Mark (X) one.

1004

1

1

☐ Yes — Complete Supplement A of this Form BE-10B(SF).

1

2

☐ No

5. Form of organization of this foreign affiliate — Mark (X) one.

1005

1

1

☐ Corporation

1

2

☐ Branch

1

3

☐ Partnership

1

4

☐ Other — Specify

6. Country of incorporation or organization of this foreign affiliate — Mark (X) one.

1006

1

601

☐ Australia

1

307

☐ France

1

614

☐ Japan

1

325

☐ Switzerland

1

202

☐ Brazil

1

308

☐ Germany

1

213

☐ Mexico

1

327

☐ United Kingdom

1

100

☐ Canada

1

314

☐ Italy

1

319

☐ Netherlands

1

☐ Other — Specify

7. Country of location — Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out — Mark (X) one.

1007

1

601

☐ Australia

1

307

☐ France

1

614

☐ Japan

1

325

☐ Switzerland

1

202

☐ Brazil

1

308

☐ Germany

1

213

☐ Mexico

1

327

☐ United Kingdom

1

100

☐ Canada

1

314

☐ Italy

1

319

☐ Netherlands

1

☐ Other — Specify

8. This foreign affiliate's financial books and records are kept in — Mark (X) one.

1008

1

1

☐ The currency of the country of the affiliate as given in item 7. (Foreign affiliates located in European Monetary Union countries should check this box if they keep their books in the currency of the country of the affiliate or in euros.)

1

2

☐ U.S. dollars

1

3

☐ A foreign currency which is not that of the country of location of the affiliate as given in item 7

9. The ending date of this foreign affiliate's 1999 fiscal year.

Month	Day	Year
1		1999

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

1010

1

1

☐ **Yes, and this is its initial report** — Affiliate was not previously reported

If "Yes," did the U.S. Reporter — *Mark (X) one*

2

1

☐ Establish the foreign affiliate?

2

2

☐ Acquire a voting interest of 10 percent or more in an existing foreign company from a foreign person?

2

3

☐ Acquire a voting interest of 10 percent or more in this affiliate from a U.S. person? — *Give name and address of U.S. person.*

Enter date

Month

Year

3

1

2

☐ **Yes, and this is its final report** —

If "Yes," was the affiliate — *Mark (X) one*

2

4

☐ Merged or reorganized?

Sold:

2

5

☐ to a U.S. person? — *Give name and address of U.S. person.*

2

6

☐ to a foreign person?

2

7

☐ Liquidated?

2

8

☐ Seized?

1

3

☐ **No**

Enter date

Month

Year

3

11. Was there a change in the entity due to mergers, acquisitions, divestitures, etc., or a change in accounting principles during FY 1999 that caused FY 1998 data to be restated? *Mark (X) one.*

1011

1

1

☐ Yes — *Report all close FY 1998 data before restatement, unless otherwise specified.*

1

2

☐ No

DIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — Enter percent of ownership, to a tenth of one percent, based on total voting stock, as applicable, if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate, held directly by	Percent of ownership at close of fiscal year			
	Equity interest		Voting interest	
	1999 (1)	1998 (2)	1999 (3)	1998 (4)
	1	2	3	4
12. U.S. Reporter named in item 1 — Report equity interest and voting interest.	1012	. %	. %	. %
13. Other foreign affiliate(s) of U.S. Reporter named in Item 1 — If entry is made here, complete items 19 and 20.	1013	. %	. %	. %
14. Other U.S. Reporter(s) of this foreign affiliate — If entry is made here, item 21 must be "Yes."	1014	. %	. %	. %
15. Foreign affiliate(s) of other U.S. Reporter(s) — If entry is made here, item 21 must be "Yes."	1015	. %	. %	. %
16. Other U.S. persons	1016	. %	. %	. %
17. Other foreign persons	1017	. %	. %	. %
18. TOTAL OF DIRECTLY HELD VOTING OWNERSHIP INTERESTS — Sum of items 12 through 17	1018	100.0 %	100.0 %	
19. INDIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — If there is an entry in item 13, enter U.S. Reporter's percent of indirect ownership in this affiliate. See Instruction Booklet , Part I.A.2., for instructions on how to complete indirect ownership percentages.	1019	. %	. %	. %
20. Identification of foreign affiliate parent(s) — If there is an entry in item 13, column (3) or column (4) — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (d) the name of the foreign affiliate that holds a direct ownership interest in it.				

Foreign affiliate holding direct ownership interest in this foreign affiliate				Name of foreign affiliate, if any, in ownership chain that holds direct interest in foreign affiliate named in column (a)
Name and ID Number <i>Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate.</i> (a)	BEA USE ONLY	Percent direct ownership in this foreign affiliate		
		Close FY 1999 (b)	Close FY 1998 (c)	
a. 1191	1	2 . %	3 . %	(d)
b. 1192	1	2 . %	3 . %	
c. 1193	1	2 . %	3 . %	
d. TOTAL — <i>Must equal percentages entered in Item 13</i> —————→ 1020		2 . %	3 . %	

BE-10B(SF)			Affiliate ID Number		C	
Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued						
<div>21. Do two or more U.S. persons each directly or indirectly own or control at least 10 percent of this foreign affiliate’s voting rights? Mark (X) one.</div> <div><div>1021</div><div><div><div>1</div><div>1</div></div><div><input type="checkbox"/></div><div>Yes — Item 14 or 15 on page 2 must have an entry, and either item 22 or 23 must be completed. See Instruction Booklet, Part I.B.2.c.(2).</div></div><div><div>1</div><div>2</div></div><div><input type="checkbox"/></div><div>No — Skip to item 28</div></div>						

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE						
▶ Section A — Income Statement of Foreign Affiliate • INCOME 41. Certain realized and unrealized gains (losses) — Include gains (losses) net of income tax effects resulting from: a. Sale, disposition, or revaluation of investment securities (Dealers in financial instruments and finance and insurance companies see Special Instructions , A.1., page 14); b. Sale, disposition, or revaluation of land, other property, plant and equipment, or other assets. (Real estate companies see Special Instructions , A.2., page 14); c. Remeasurement of the foreign affiliate’s foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52; d. Extraordinary items (except those resulting from legal judgments and accidental damage to fixed assets) and other unusual or infrequently occurring items. 2044			Amount			
			Bil.	Mil.	Thous.	Dols.
			1			
42. TOTAL INCOME —————▶ 2046			\$			
• COSTS AND EXPENSES			1			
43. Foreign income taxes — Provision for foreign income taxes for FY 1999. 2048						
44. TOTAL COSTS AND EXPENSES —————▶ 2050			\$			
• NET INCOME			1			
45. NET INCOME (LOSS) — <i>Item 42 minus item 44</i> —————▶ 2051			\$			
46. BEA USE ONLY 2040			1			
▶ Section B — Number of Employees and Employee Compensation — See <i>Additional Instructions Part II, Section B, on page 12 at the back of this form.</i> NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 1999 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If the number of employees at the end of FY 1999 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 1999. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate. EMPLOYEE COMPENSATION — Expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.						
			Number of employees			
			1			
47. TOTAL NUMBER OF EMPLOYEES* — Report the total number of employees for the year 2068						
			Amount			
			Bil.	Mil.	Thous.	Dols.
48. TOTAL EMPLOYEE COMPENSATION — Report, for all employees, the sum of a. Wages and salaries — Employees’ gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees; and b. Employee benefit plan — Employer expenditures for all employee benefit plans 2072			1			
			\$			
* NOTE — If total number of employees, item 47, or total employee compensation, item 48, is zero — <i>Explain</i> <div></div>						
Remarks						

BE-10B(SF)		Affiliate ID Number								C			
Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued													
<div>▶ Section C — Balance Sheet of Foreign Affiliate — See <i>Additional Instructions</i> for Part II, Section C on page 12 at the back of this form.</div> <div>Disaggregate all asset and liability items in the detail shown. Report accounts receivable and payable between the U.S. Reporter and its foreign affiliates in the proper asset and liability accounts of the foreign affiliate. Do not report them as a net amount.</div>						BALANCES							
						Close of FY 1999				Close of FY 1998 (unrestated)			
						(1)				(2)			
						Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
• ASSETS (Insurance companies see Special Instructions , B.2 and 3.c., page 14)						1				2			
49. Current assets 2149						\$				\$			
50. Property, plant, and equipment, gross 2150						1				2			
51. Accumulated depreciation and depletion 2083						1				2			
52. Other noncurrent assets — Specify 2152						()	()
						1				2			
53. TOTAL ASSETS — Sum of items 49 through 52 —————▶ 2088						\$				\$			
• LIABILITIES (Insurance companies see Special Instructions , B.3.d, page 14)						1				2			
54. Current liabilities and long-term debt 2154						1				2			
55. Other noncurrent liabilities — Specify 2091						1				2			
						1				2			
56. TOTAL LIABILITIES — Sum of items 54 and 55 2092						\$				\$			
• OWNERS EQUITY — INCORPORATED AFFILIATE ONLY, complete items 57 through 61						1				2			
57. Capital stock and additional paid-in capital —————▶ 2093						\$				\$			
58. Retained earnings (deficit) 2094						1				2			
59. Translation adjustment — Cumulative amount at year end (per FASB 52) 2095						1				2			
60. Other — Include involuntarily (or legally) restricted earnings — Specify 2096						1				2			
						1				2			
61. TOTAL OWNERS' EQUITY (INCORPORATED FOREIGN AFFILIATE) — Equals item 53 minus item 56 and, equals the sum of items 57 through 60 2097						\$				\$			
• OWNERS EQUITY — UNINCORPORATED AFFILIATE ONLY, complete items 62 and 63						1				2			
62. TOTAL OWNERS' EQUITY (UNINCORPORATED FOREIGN AFFILIATE) — EQUALS ITEM 53 MINUS ITEM 56 —————▶ 2098						\$				\$			
63. Translation adjustment — Cumulative amount at year end (per FASB 52) — That portion of item 62 representing the affiliate's cumulative translation adjustment account 2099						1				2			
▶ Section D — Property, Plant and Equipment (PP&E) See <i>Additional Instructions</i> for Part II, Section D on page 12 at the back of this form. (Insurance companies also see Special Instructions , B.3.e., page 14)										Amount			
64. Expenditures for property, plant and equipment (PP&E) — PP&E includes land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale. 2164										Bil.	Mil.	Thous.	Dols.
										1			
										2164	\$		
65. BEA USE ONLY 2165										1			
										2			
Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER													
Use Part III to report the line of direct ownership included in item 12, if any, and to report direct financial positions or transactions between the U.S. Reporter and foreign affiliate.													
66. Did the U.S. Reporter named in item 1 have a direct ownership interest in this affiliate at any time during the affiliate's 1999 fiscal year (i.e., is any column of item 12 greater than zero)? — Mark (X) one.													
3139 <input type="checkbox"/> Yes — Complete items 67 through 84 of Part III and then continue with item 86 of Part IV.													
<input type="checkbox"/> No — Complete only items 70, 71 and 80 through 84 of Part III to report any direct financial positions or transactions between the U.S. Reporter and foreign affiliate and then continue with item 86 of Part IV.													
▶ Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, and Dividends or Distributed Earnings — See <i>Additional Instructions</i> for Part III, Section A, on page 12 at the back of this form.										Amount			
Enter the amounts which represent the U.S. Reporter's equity, based on its <u>directly held equity interest</u> . Thus if the U.S. Reporter holds both a direct and indirect equity interest, enter the amounts which represent <u>only</u> the directly held equity interest.										Bil.	Mil.	Thous.	Dols.
										1			
67. Net income (loss) after provision for foreign income taxes — Enter U.S. Reporter's share of net income, item 45. 3140										\$			
68. Dividends on common and preferred stock of incorporated foreign affiliate (Exclude stock and liquidating dividends) or distributed earnings of unincorporated foreign affiliate — net of foreign tax withheld. 3145										1			
69. BEA USE ONLY 3146										1			

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued									
<div>▶ Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter — <i>See Additional Instructions for Part III, Section B, on pages 12 and 13 at the back of this form.</i></div> <div>Include current and long-term items, indebtedness resulting from a capital lease, and the net book value of equipment under a long-term operating lease.</div>									
	According to books of foreign affiliate								
	Close FY 1999				Close FY 1998 (unrestated)				
	(1)				(2)				
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	
	1				2				
70. Owed to U.S. Reporter by the affiliate — That portion of item 54 representing amounts owed to U.S. Reporter	3147	\$			\$				
71. Owed to affiliate by the U.S. Reporter — That portion of items 49 and 52 representing amounts due from U.S. Reporter	3148	1			2				
72. BEA USE ONLY	3149	1			2				
<div>▶ Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate — <i>See Additional Instructions for Part III, Section C, on page 13 at the back of this form.</i></div> <div>Report transactions during the year that changed the U.S. Reporter's equity holdings in the foreign affiliate. <u>Include</u> equity changes due to treasury stock transactions with the U.S. Reporter and liquidating dividends. <u>Exclude</u> equity changes due to net income or (loss), stock and cash dividends, earnings distributions, balance sheet translation adjustments, treasury stock transactions with persons other than the U.S. Reporter and reorganizations in capital structure that do not affect total equity. Report all amounts at transaction value, i.e., the value of the consideration given (received) by the U.S. Reporter.</div>									
• INCREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE					Amount				
					Bil.	Mil.	Thous.	Dols.	
73. Establishment of affiliate or acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter either from this affiliate or from other foreign persons	3150	1							
74. Capital contributions and other transactions of the U.S. Reporter with foreign persons that increase equity in this affiliate — <i>Specify</i>	3151	1							
75. Acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter from other U.S. persons	3152	1							
• DECREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE					1				
76. Liquidation of affiliate or sale (partial or total) of equity interest in this affiliate by the U.S. Reporter either to this affiliate or to other foreign persons	3153								
77. Return of capital contributions to the U.S. Reporter and other transactions of the U.S. Reporter with foreign persons that decrease equity in this affiliate — <i>Specify</i>	3154	1							
78. Sale (partial or total) of equity interest in this affiliate by U.S. Reporter to other U.S. persons	3155	1							
79. TOTAL — <i>Equals sum of items 73, 74, and 75, minus sum of items 76, 77, and 78</i> —————▶	3156	\$							
<div>▶ Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate — <i>See Additional Instructions for Part III, Section D, on page 13 at the back of this form.</i></div> <div>Report these items based on the books of the U.S. Reporter. Enter amounts received, paid, or entered into intercompany accounts, whichever occurred first.</div>		Receipt by U.S. Reporter from foreign affiliate – net of foreign tax withheld			Payments by U.S. Reporter to foreign affiliate – net of U.S. tax withheld				
		(1)			(2)				
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
80. Interest on amounts reported in items 70 and 71, including interest on capital leases	3160	1				3			
81. Royalties, license fees, and other fees for the use or sale of intangible property	3161	1				3			
82. Charges for use of tangible property including film and television tape rentals	3162	1				3			
83. Allocated expenses and sales of services	3164	1				3			
84. TOTAL — <i>Sum of items 80 through 83</i> —————▶	3172	\$				3			
85. BEA USE ONLY	3171	1				3			
Remarks									

BE-10B(SF)				Affiliate ID Number								C				
Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE —Goods only valued f.a.s. at port of exportation; do not include services — See Additional Instructions for Part IV on page 13 at the back of this form.																
IMPORTANT NOTES																
This section requires the reporting of data on U.S. merchandise trade of the foreign affiliate in FY 1999. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. Trade statistics to which these data will be compared. Do not record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the foreign affiliate by, or charged by the foreign affiliate to, a U.S. person.																
Foreign affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to the data on a "charged" basis to approximate a "shipped" basis.																
• U.S. MERCHANDISE EXPORTS TO THIS FOREIGN AFFILIATE (Valued f.a.s. U.S. port)						TOTAL		Shipped by U.S. Reporter(s)				Shipped by other U.S. persons				
						(1)		(2)		(3)						
						Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.		
						1			2			3				
86. Total goods shipped in FY 1999 from the U.S. to this affiliate						4173	\$			\$			\$			
• U.S. MERCHANDISE IMPORTS FROM THIS FOREIGN AFFILIATE (Valued f.a.s. foreign port)						TOTAL		Shipped to U.S. Reporter(s)				Shipped to other U.S. persons				
						(1)		(2)		(3)						
						Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.		
						1			2			3				
87. Total goods shipped in FY 1999 to the U.S. by this affiliate						4188	\$			\$			\$			
Part V — OTHER DETAILED FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — To be completed only if foreign affiliate is majority-owned — See Additional Instructions for Part V on page 14 at the back of this form.																
88. Is this a majority owned affiliate?																
2018 1 1 Yes — Continue with item 89																
1 2 No — Skip items 89 through 101 and continue with the Supplement A on page 9.																
89. Was any one item: (1) total assets, (2) sales or gross operating revenues excluding sales taxes, or (3) net income greater than \$50 million (positive or negative) at any time during the affiliate's 1999 fiscal year?																
2019 1 1 Yes — Continue with item 90																
1 2 No — Skip items 90 through 101 and continue with the Supplement A on page 9.																
• Interest, depreciation and depletion, and taxes												Amount				
90. Interest received — Interest received by affiliate from, or credited to affiliate by, all payors, net of tax withheld at the source. Include all interest receipts included in item 42. Do not net against interest paid, item 91.												Bil.		Mil. Thous.	Dols.	
												1				
2120												\$				
91. Interest paid — Interest paid, or credited, to all payees by the affiliate, gross of tax withheld. Do not net against interest received, item 90.												1				
2121																
92. Current-period depreciation and depletion — Current-period charges against property, plant, equipment included in item 50.												1				
2020																
93. Taxes (other than income and payroll taxes) and nontax payments (other than production royalty payments) — Report all such taxes and nontax payments whether or not included in revenues or expenses in the income statement. Include amounts paid or accrued for the year, net of refunds or credits, to foreign governments, their subdivision and agencies for —												1				
a. Sales, value added, consumption, and excise taxes collected by the affiliate on goods and services that the affiliate sold;																
b. Property taxes and other taxes on the value of assets or capital;																
c. Any remaining taxes (other than income or payroll taxes); and																
d. Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (other than production royalty payments).																
2123																
• RESEARCH AND DEVELOPMENT (R&D) EXPENDITURES — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs.												1				
NOTE — Item 94 pertains to R&D performed by the foreign affiliate, including R&D performed by the affiliate for others under contract. This is the basis on which National Science Foundation surveys request information on R&D.																
94. R&D performed by the affiliate												2126		\$		
• ROYALTIES, LICENSE FEES, AND OTHER FEES FOR THE USE, SALE, OR PURCHASE OF INTANGIBLE PROPERTY												1				
95. Total Receipts — Include royalties, license fees, and other amounts from U.S. persons other than the U.S. Reporter and from all foreign persons that were received by or credited to this affiliate for the use or sale of intangible property.												2130		\$		
96. Total payments — Include royalties, license fees, and other amounts paid or credited by this affiliate to U.S. persons other than the U.S. Reporter and to all foreign persons for the use or purchase of intangible property.												2134		\$		
97. BEA USE ONLY		1	2	3	4	5										
2138																
Remarks																

Part V — OTHER DETAILED FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — To be completed only if foreign affiliate is majority-owned — Continued


• DISTRIBUTION OF SALES OR GROSS REVENUES

98. Sales or gross operating revenues, excluding sales taxes a. Column (1) equals item 38 column (2). <div>2052</div>	TOTAL <i>Column (1) equals the sum of columns (2) through (7)</i> (1)		Local sales		Sales to U.S.		Sales to other countries			
			To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	To U.S. Reporter(s)	To unaffiliated customers	To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers		
	Bil.	Mil.	Thous.	Dols.	(2)	(3)	(4)	(5)	(6)	(7)
	1				2	3	4	5	6	7
	\$				\$	\$	\$	\$	\$	\$

• EMPLOYMENT OF PRODUCTION WORKERS ENGAGED IN MANUFACTURING ACTIVITIES

Complete items 99, 100 and 101 only if the foreign affiliate has manufacturing activities, i.e., has at least one manufacturing code (ISI codes 3111–3399) entered in items 30 through 36. If more than one manufacturing code is shown, include data for production workers in all manufacturing activities combined.		Number of employees
99. Number of production workers engaged in manufacturing activities		1
2073		
		Thousands of hours
100. Hours worked by production workers in item 99		1
2074		
		Amount
		Bil. Mil. Thous. Dols.
101. Total compensation of production workers — Wages and salaries and employer expenditures for employee benefit plans for production workers reported in item 99.		1
2075		\$

Remarks

FORM BE-10B(SF) Supplement A (6/99)		U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS		BEA USE ONLY 		Affiliate ID Number <div></div> C		Page No. ____ of ____ pages of this Supplement A	
LIST OF ALL FOREIGN AFFILIATES IN WHICH THE REPORTING FOREIGN AFFILIATE (AS CONSOLIDATED) HAS A DIRECT EQUITY INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED ON THIS FORM BE-10B(SF)				Identification — Name of foreign affiliate as shown in item 2 of Form BE-10B(SF)					
Supplement A — List ALL foreign affiliates of the U.S. Reporter(s) in which the fully consolidated foreign affiliate named in item 2, has a direct equity interest, but which are not fully consolidated on this Form BE-10B(SF). Continue listing onto as									
many copied pages as needed. NOTE — Foreign affiliates listed on this Supplement A must also file a complete Form BE-10B(LF) or BE-10B(SF), or, per instructions, be listed on the BE-10A Supplement A of its U.S. Reporter.									
Name of each foreign affiliate, as taken from item 2 of the Form BE-10B(LF) or BE-10B(SF) for that affiliate, in which a direct equity interest is held (1)				Affiliate identification number taken from the preprinted Form BE-10B(LF) or BE-10B(SF), if provided, of each foreign affiliate listed in column (1) (2)		BEA USE ONLY (3)		Percentage of direct ownership in the foreign affiliate listed in column (1) held by the foreign affiliate named in the identification block above <i>(Enter percentage to the nearest tenth.)</i>	
								Close FY 1999 (4) Close FY 1998 (5)	
5002								. %	. %
5003								. %	. %
5004								. %	. %
5005								. %	. %
5006								. %	. %
5007								. %	. %
5008								. %	. %
5009								. %	. %
5010								. %	. %
5011								. %	. %
5012								. %	. %
5013								. %	. %
5014								. %	. %
5015								. %	. %

LIST OF ALL FOREIGN AFFILIATES IN WHICH THE REPORTING FOREIGN AFFILIATE (AS CONSOLIDATED) HAS A DIRECT EQUITY INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED ON THIS FORM BE-10B(SF) — Continued				Page No. _____ of _____ pages of this Supplement A	
Name of each foreign affiliate, as taken from item 2 of the Form BE-10B(LF) or BE-10B(SF) for that affiliate, in which a direct equity interest is held (1)		Affiliate identification number taken from the preprinted Form BE-10B(LF) or BE-10B(SF), if provided, of each foreign affiliate listed in column (1) (2)	BEA USE ONLY (3)	Percentage of direct ownership in the foreign affiliate listed in column (1) held by the foreign affiliate named in the identification block above <i>(Enter percentage to the nearest tenth.)</i>	
				Close FY 1999 (4)	Close FY 1998 (5)
5016				. %	. %
5017				. %	. %
5018				. %	. %
5019				. %	. %
5020				. %	. %
5021				. %	. %
5022				. %	. %
5023				. %	. %
5024				. %	. %
5025				. %	. %
5026				. %	. %
5027				. %	. %
5028				. %	. %
5029				. %	. %
5030				. %	. %
5031				. %	. %
5032				. %	. %

FORM 6/99		BE-10B(SF) Supplement B		U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS		BEA USE ONLY		Affiliate ID Number		Page No. ____ of ____ pages of this Supplement B	
LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING FOREIGN AFFILIATE						Identification — Name of foreign affiliate as shown in item 2 of Form BE-10B(SF)					
Supplement B — This list must be completed for the foreign affiliate for which the U.S. Reporter is reporting consolidated financial and operating data to BEA; each foreign affiliate fully consolidated must be more than 10 percent owned, directly or indirectly, by the U.S. Reporter and must also be more than 50 percent owned by the foreign affiliate named in item 2, of Form BE-10B(SF). The number of foreign affiliates listed below plus the reporting foreign affiliate must agree with Part I, item 3, of Form BE-10B(SF). Continue listing onto as many copied pages as needed.											
NOTE – Consolidate affiliates only if they are located in the same country and are in the same BEA 4-digit industry or are integral parts of the same business operation.											
BEA USE ONLY		Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B(SF)				Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2)				Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) (Enter percentage to the nearest tenth.)	
(1)		(2)				(3)				(4)	
6002										. %	
6003										. %	
6004										. %	
6005										. %	
6006										. %	
6007										. %	
6008										. %	
6009										. %	
6010										. %	
6011										. %	
6012										. %	
6013										. %	
6014										. %	
6015										. %	

**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD —
1999
FORM BE-10B(SF)
ADDITIONAL INSTRUCTIONS BY LINE ITEM**

Part I — IDENTIFICATION OF FOREIGN AFFILIATE

7. Country of location Enter "International" if the affiliate is engaged in petroleum shipping, other water transportation, or oil and gas drilling, and has operations spanning more than one country. For example, classify as "International" an oil drilling rig that moves from country to country during the year.
12. **Ownership by U.S. Reporter named in item 1.**
- Equity interest** is the U.S. Reporter's direct ownership in the total equity (voting and nonvoting) of the affiliate. Examples of nonvoting equity include nonvoting stock and a limited partner's interest in a partnership.
- Voting interest** is the U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.
- 30.—38.

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. Report gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added and excise taxes levied on manufacturers, wholesalers, and retailers. Affiliates classified in ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 report interest income. Insurance companies with ISI codes 5243 and 5249 include gross investment income. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 14.)

Holding companies (ISI code 5512) must show total income as reported in item 42. To be considered a holding company, income from equity investments must be more than 50 percent of total income. In addition, normally at least 50 percent of total assets must consist of investments in affiliates. ISI code 5512, (holding company), is an invalid classification if more than 50 percent of income generated, or expected to be generated, by an affiliate is from non-holding company activities.

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

• **Section A — Income Statement of Foreign Affiliate**

42. **Total income** — Include the following items:
- a. Sales or gross operating revenues
 - b. Income from equity investments in affiliates — For affiliates owned 20 percent or more (including majority-owned affiliate), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends;
 - c. Income from other equity investments;
 - d. Certain realized and unrealized gains (losses) net of income tax effects; and
 - e. Other income
43. **Foreign Income Taxes** — Exclude production royalty payments, and U.S. income taxes.
- **Section B — Number of Employees and Employee Compensation**
48. **Employee compensation** — Consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in "employee benefit plans" as discussed below.)

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

Employee benefit plans — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post employment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

• **Section C Balance Sheet of Foreign Affiliate**

49. **Current assets** — Include deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Instead, report overdrafts in item 54 (current liabilities and long-term debt). Include current trade accounts receivable, notes receivable, and other current receivables. Include certificates of deposits (CDs) representing cash of the affiliate held by others and coming due within 12 months of the balance sheet date. Report CDs coming due more than 12 months from the balance sheet date in item 52 (other noncurrent assets). Include inventories and other current assets, including land held for resale and current marketable securities.
50. **Property, plant, and equipment, gross** — Report gross book value of land, timber, mineral rights and similar rights owned. Also include structures, machinery, equipment, special tools, deposit containers, construction in progress, other depreciable property and capitalized tangible and intangible exploration and development costs of the foreign affiliate. Include items on capital leases from others, per FASB13. **Exclude** all other types of intangible assets, and land held for resale. (Unincorporated affiliates include items owned by the U.S. Reporter(s) but in the affiliate's possession whether or not carried on the affiliate's books or records. Insurance companies see Special Instructions, B.2., page 15.)
52. **Other noncurrent assets** — Include the noncurrent portion of CDs representing cash of the affiliate held by others and coming due more than 12 months from the balance sheet date; equity investments, whether carried at cost or on the equity basis; other noncurrent investments; intangible assets net of amortization; noncurrent marketable securities; noncurrent accounts and trade notes receivable net of allowance for doubtful items; and any other noncurrent assets not reported elsewhere. Report credit balances in these accounts in item 55 (other noncurrent liabilities).
54. **Current liabilities and long-term debt** — Include current trade accounts and trade notes payable; overdrafts, other current liabilities and long-term debt. Include intercompany debt and debt with unaffiliated parties. Also include lease obligations capitalized per FASB 13 with an original maturity of more than one year or with no stated maturity.
55. **Other noncurrent liabilities** — Include noncurrent items but exclude long-term debt. Include deferred taxes and minority interest in consolidated subsidiaries. Report debit balances in these accounts in item 52 (other noncurrent assets). Exclude long-term intercompany debt (include in item 54).
57. **Capital stock and additional paid-in capital** — Include common and preferred, voting and nonvoting capital stock and additional paid-in capital.
58. **Retained earnings (deficit)** — Include earnings retained by the corporation and legally available for dividends; earnings voluntarily restricted; and the cumulative balance of unrealized holding gains and losses due to changes in the valuation of available-for-sale securities per FASB 115.

• **Section D Property, Plant and Equipment (PP&E)**

64. Include items leased from others (including land) under capital leases. Also include the capitalized value of timber, mineral and similar rights leased by the affiliate from others. Do not include items the affiliate has sold under a capital lease.
- For affiliates engaged in exploring for or developing natural resources**, include exploration and development expenditures made during FY 1999 that were capitalized, including capitalized expenditures to acquire or lease mineral rights. Do not include adjustments for expenditures charged against income in prior years but subsequently capitalized during FY 1999.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

• **Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, and Dividends or Distributed Earnings**

68. Report this item based on the books of the U.S. Reporter. Report amount received or entered into intercompany accounts, whichever occurred first. Include amounts for which payment was made in kind. If a receivable was booked in a prior reporting period, do not report the collection of the receivable in the current period. Show the collection as a reduction to the intercompany account item 70.

• **Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter**

70.— 71.

Disaggregate lease payments into their component parts. Reflect return of capital, consisting of principal payments for capital leases and the depreciation component for operating leases, in items 70 and 71. Report the interest component under capital leases in item 80. Report the net rent for operating leases in item 82.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

70. If the foreign affiliate has leased equipment from the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in column 1, and;

Include the FY 1998 closing net book value of the leased equipment in column 2.

The closing net book value of leased equipment would have to be obtained from the books of the U.S. Reporter.

71. If the foreign affiliate has leased equipment to the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in column 1, and;

Include the FY 1998 closing net book value of the leased equipment in column 2.

The closing net book value of leased equipment would be obtained from the books of the foreign affiliate.

• Section C — Change in U.S. Reporter’s Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate

Increase in U.S. Reporter’s Equity Interest in This Affiliate

73.—75.

For a newly established or acquired affiliate, report what the U.S. Reporter paid and/or borrowed to establish or acquire the affiliate in item 73 or 75 as appropriate. Do not report the book value of the equity interest if it differs from what was paid.

Decrease in U.S. Reporter’s Equity Interest in This Affiliate

76.—78.

For an affiliate that is sold, report the sale price in item 76 or 78 as appropriate. Include foreign income taxes, if any, on gains (and tax refunds on losses) in the calculation of these items. Report the ending intercompany debt position for the affiliate (in column 1 of items 70 and 71) as zero. If debt positions still exist, they are between a U.S. person and an unaffiliated foreign person, and may be reportable on the Department of the Treasury International Capital report forms.

For investments written off, enter zero in items 76-78. If an account receivable due to the U.S. Reporter from the affiliate is written off, report the amount of the receivable in item 74 as a capital contribution.

• Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate

80.— 84.

Include amounts for which payment was made in kind. If a receivable or payable for one of these items was booked in a prior reporting period, do not report the collection of the receivable or payment of the payable if collected or paid in the current period. Show such a collection or payment only as a reduction to an intercompany account (items 70 and 71).

80. Interest — Except as described in the next paragraph, report interest receipts and interest payments at gross. Do not net the receipts against the payments.

Reporting for Interest Rate and Foreign Currency Swap Agreements Between the U.S. Reporter and the Foreign Affiliate — Report interest accruals under the terms of interest rate and foreign currency swap agreements on a net basis. Do not report gross receipts and gross payments of interest based upon marking positions to market daily. Instead, report the net amount of these gross receipts or payments either as net interest received or net interest paid, as appropriate. Record any explicit fees paid to, or received from, a foreign affiliate for arranging a swap as a charge for services rendered in item 83 (Allocated expenses and sales of services).

82. Charges for use of tangible property

Include in column 1 rental payments to the U.S. Reporter under operating leases of one year or less. Include net rental payments to the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents paid to the U.S. Reporter for the reporting period less the return of capital (depreciation) component charged against the leased equipment on the books of the U.S. Reporter for the part of FY 1999 that the lease was in existence.)

Include in column 2 rent receipts from the U.S. Reporter under operating leases of one year or less. Include net rent receipts from the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents received from the U.S. Reporter less the amount of depreciation expense charged against the leased equipment on the books of the foreign affiliate for the part of FY 1999 that the lease was in existence.)

83. Allocated expenses and sales of services — Include allocated expenses (such as R&D assessments) and reimbursements between the U.S. Reporter and the affiliate for management, professional, technical, or other services that are normally included in "other income" by the provider of the service. Also include receipts by the U.S. Reporter from, or payments by the U.S. Reporter to, the affiliate for services that are separately billed and normally included in the sales or gross operating revenues of the seller of the service. Report the following types of expenses and services on this line:

Insurance services — To avoid duplication with other BEA surveys, report only receipts or payments for transactions between a foreign insurance affiliate and those parts of the fully consolidated U.S. Reporter that are not insurance companies (i.e., not in ISI codes 631, 632, or 639). Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for losses incurred by the U.S. Reporter under primary insurance sold to the U.S. Reporter by the foreign affiliate. Report in column 2 premiums paid by the U.S. Reporter to the foreign affiliate for the purchase of primary insurance from the foreign affiliate.

Financial Services — Report in columns 1 and 2 fees and commissions for financial services. Include brokerage commissions on transactions executed for the U.S. Reporter’s (or foreign affiliate’s) own account, or for the account of its customers. Also include selling concessions received from a U.S. Reporter (or foreign affiliate) who is a lead underwriter.

Transportation — Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for carrying merchandise from the United States to foreign destinations and for carrying freight between foreign destinations. Report in column 2 amounts paid by the U.S. Reporter to the foreign affiliate for carrying merchandise from foreign countries to U.S. destinations or between foreign destinations.

Computer and information services — Report in columns 1 and 2 receipts and payments for computer and data processing services, including data entry, processing, and tabulation; computer systems analysis, design, engineering and custom programming; and other computer services including time sharing, maintenance and repair. Also report receipts and payments for database and other information services, including business, financial, or technical databases; reservation systems; and credit reporting and authorization systems.

Communication services — Report in columns 1 and 2 receipts and payments between the U.S. Reporter and the foreign affiliate for:

Message telephone services and other jointly provided (basic) services — Report receipts for the U.S. Reporter’s share of revenues for transmitting messages (including voice, data, video, satellite, images, telex, telegram, cable, etc.) originating abroad to or through U.S. destinations, or between foreign destinations. Report payments for transmitting messages originating in, or routed through, the United States to foreign destinations.

Private leased channel services — Report receipts for channels and circuits terminating in the United States and for channels and circuits between foreign countries. Report payments for leased channels and circuits terminating in foreign countries.

Value-added telecommunications services — Electronic mail, voice mail, and code and protocol processing; facsimile services and video conferencing; Internet connections (including Internet backbone and router services); and other value-added services.

Support services related to the maintenance and repair of telecommunications equipment, ground station services, capacity leasing for transiting, and launching of communications satellites.

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE

86.—87.

When there is a material difference between the "charged" and "shipped" bases and the data have not been filed on the "shipped" basis, or the necessary adjustments have not been made to approximate a "shipped" basis, then BEA will require the data to be refiled.

Differences between the "charged" and "shipped" bases may be substantial. A major difference arises when the U.S. Reporter buys goods in country A and sells them in country B, but the goods are shipped directly from country A to country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. Reporter records the transactions on its books, it shows a purchase charged to it from country A and a sale charged by it to country B. If the U.S. Reporter’s trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and a U.S. export, respectively. Other differences arise when the U.S. Reporter charges the sale of its products to a foreign affiliate in one country, but ships the goods directly from the United States to an unaffiliated foreigner in another country. If the data are on the "shipped" basis, this is a U.S. export to an unaffiliated foreigner, not to the foreign affiliate and should not be recorded on the BE-10B of the foreign affiliate.

If a material difference exists between the "charged" and "shipped" bases, trade must be reported on the "shipped" basis. To do this, the U.S. Reporter may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

**Part IV — U.S. MERCHANDISE TRADE OF
FOREIGN AFFILIATE — Continued**

Definition of U.S. merchandise trade. The phrases "U.S. merchandise trade," "U.S. merchandise exports," and "U.S. merchandise imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. Data in this section cover all goods that physically left or entered the U.S. customs area in FY 1999. Consigned goods must be included in the trade figures when shipped or received, even though not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned. Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise. Also exclude services. An affiliate's U.S. merchandise exports and imports may differ from the affiliate's purchases from or sales to the United States because purchases and sales may include services while merchandise exports and imports include only goods.

Exclude from exports and imports the value of goods **that** are in-transit. In-transit goods are goods **that are not** processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit imports are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

Timing. Only include goods actually shipped between the United States and the affiliate during FY 1999 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. Reporter to the affiliate in FY 1999 that were charged or consigned in FY 2000, but exclude goods shipped to the affiliate in FY 1998 that were charged or consigned to the affiliate in FY 1999.

Trade of a foreign affiliate. Goods shipped by, or to, a foreign affiliate, whether or not actually charged or consigned by, or to, the foreign affiliate are considered to be trade of the foreign affiliate.

By (or to) whom goods were shipped. Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to whom the merchandise was charged or consigned. Thus, for example, if the U.S. Reporter charges goods to a German affiliate but ships them to an Italian affiliate, the goods should be recorded as U.S. merchandise exports shipped by the U.S. Reporter on the Form BE-10B(LF) or (SF) of the Italian affiliate, but not on the Form BE-10B(LF) or (SF) of the German affiliate. Similarly, if goods were charged by the U.S. Reporter to an affiliate but shipped to the affiliate by another U.S. person, the goods should be considered a U.S. merchandise export shipped by "other U.S. persons," not the U.S. Reporter, on the affiliate's Form BE-10B(LF) or (SF).

Note — Merchandise shipped by an independent carrier or a freight forwarder at the expense of an entity are shipments by that entity.

Valuation of exports and imports. Value U.S. merchandise exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. It excludes all subsequent costs, such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

**Part V OTHER DETAILED FINANCIAL AND OPERATING
DATA OF MAJORITY- OWNED FOREIGN AFFILIATE**

94. Research and development expenditures — Research and development (R&D) includes basic and applied research in science and engineering, and the design and development of prototypes and processes, if the purpose of such activity is to:

1. Pursue a planned search for new knowledge whether or not the search has reference to a specific application;
2. Apply existing knowledge to the creation of a new product or process, including evaluation of use; or
3. Apply existing knowledge to the employment of a present product or process.

R&D includes the activities described above, whether assigned to separate R&D organizational units of the company or conducted by company laboratories and technical groups that are not a part of a separate R&D organization.

Include all costs incurred to support R&D, including R&D depreciation and overhead. Exclude capital expenditures, routine product testing and quality control conducted during commercial production, geological and geophysical exploration, market research and surveys, and legal work pertaining to patents.

98. Distribution of sales or gross operating revenues

Report the source of real estate rental income in columns 2 through 7 based on the location of the property. Finance or insurance companies that include investment income in gross operating revenues should report the source of such investment income in columns 2 through 7 based on the location of the issuer of the financial instrument whether publicly issued or privately placed. If the location of the issuer is unknown, then substitute the nationality of the issuer. If both the location and nationality of the issuer are unknown, and an intermediary (e.g. trustee, custodian, or nominee) is used to manage the investment (financial instrument or real estate) use the country of location of the intermediary.

99. Number of production workers engaged in manufacturing activities — Production workers are employees directly involved in the manufacturing activities of a business. They work on the physical production, and the handling and storage of goods, related services (e.g., maintenance and repair), and auxiliary production for a plant's own use (e.g., power plant). They include working foremen, but exclude other supervisory employees.

Affiliates which maintain employment and payroll records according to national (host country) definitions of wage or manual workers that do not differ significantly from the production worker concept described above, may submit data according to the host country definitions.

100. Hours worked by production workers — Hours worked include standby or reporting time but exclude holiday, vacation, sick leave, or other paid leave. Obtain data on hours worked from the payroll records. However, reasonable estimates are acceptable if using payroll records is burdensome. Such estimates may be derived, for example, by multiplying the number of production workers by your estimate of average hours worked per production worker for the reporting period. However, such estimates must include only hours worked (standby or reporting time), and exclude hours paid for holiday, vacation, sick leave, or other paid leave.

Data on hours worked and total compensation as used to derive hourly compensation rates for production workers. To check your estimates, compute the implied hourly compensation rate (i.e., divide total for production workers by their hours worked) to see if it appears reasonable.

**SPECIAL INSTRUCTIONS FOR DEALERS IN FINANCIAL
INSTRUMENTS, FINANCE COMPANIES, INSURANCE
COMPANIES AND REAL ESTATE COMPANIES**

A. Certain realized and unrealized gains (losses) for dealers in financial instruments and finance, insurance, and real estate companies.

1. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies — Include in item 41 (1) impairment losses, (2) realized gains or losses on trading or dealing, and (3) unrealized gains or losses due to changes in the valuation of financial instruments that flow through the income statement. **Do not include** in item 41 unrealized gains or losses due to changes in the valuation of financial instruments that are taken directly to retained earnings. (Report income attributable to fees and commissions in item 38.)

2. Real estate companies

Gains or losses from the sale, disposition, or revaluation of land, other property, plant and equipment, or other assets:

Realized gains and losses

Include gains or losses from the sale of real estate in the ordinary course of trade or business in item 38.

Impairment of long-lived assets

Include impairment losses, as defined by FASB 121, recognized during the period in item 41.

Unrealized gains

Include gains recognized due to the revaluation of real estate assets in items 58 (item 62 if unincorporated). Do not include these unrealized gains in item 41.

B. Special instructions for insurance companies

1. When there is a difference between the financial and operating data reported to the stockholders and the data reported in the annual statement to an insurance department, prepare the BE-10 on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at rates promulgated by national insurance departments, i.e., include assets not acceptable for inclusion in the annual statement to an insurance department. Include: 1. non-trusted or free account assets and 2. nonadmitted assets, such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible. Include mandatory securities valuation reserves that are appropriations of retained earnings in the owners' equity section of the balance sheet not in the liability section.

2. Do not include assets of the U.S. Reporter held in the country of location of the affiliate and that are for the benefit of the U.S. Reporter's policyholders in the data reported for the affiliate.

3. Instructions for reporting specific items

a. Sales or gross operating revenues, excluding sales taxes (item 38) — Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from equity investments in unconsolidated business enterprises that is to be reported in item 42 and exclude certain realized and unrealized gains or losses that are to be reported in item 41.

b. Certain realized and unrealized gains (losses) (item 41) — See *Special Instructions*, A.1., on page 13.

c. Current assets (item 49) — Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

d. Current liabilities and long-term debt (item 54) — Include current items such as loss liabilities, policy claims, commissions due, and other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other noncurrent liabilities," unless they are clearly current liabilities.

e. Expenditures for property, plant, and equipment (item 64) — Include expenditures and all related depreciation, depletion, and like charges WHEREVER CLASSIFIED IN THE BALANCE SHEET (e.g., include expenditures that have been classified in "other noncurrent assets").

SUMMARY OF INDUSTRY CLASSIFICATIONS

AGRICULTURE, FORESTRY, FISHING, AND HUNTING	
1110	Crop production
1120	Animal production
1130	Forestry and logging
1140	Fishing, hunting, and trapping
1150	Support activities for agriculture and forestry
MINING	
2111	Oil and gas extraction
2121	Coal
2123	Nonmetallic minerals
2124	Iron ores
2125	Gold and silver ores
2126	Copper, nickel, lead, and zinc ores
2127	Other metal ores
2132	Support activities for oil and gas operations
2133	Support activities for mining, except for oil and gas operations
UTILITIES	
2211	Electric power generation, transmission, and distribution
2212	Natural gas distribution
2213	Water, sewage, and other systems
CONSTRUCTION	
2330	Building, developing, and general contracting
2340	Heavy construction
2350	Special trade contractors
MANUFACTURING	
3111	Animal foods
3112	Grain and oilseed milling
3113	Sugar and confectionery products
3114	Fruit and vegetable preserving and specialty foods
3115	Dairy products
3116	Meat products
3117	Seafood product preparation and packaging
3118	Bakeries and tortillas
3119	Other food products
3121	Beverages
3122	Tobacco
3130	Textile mills
3140	Textile product mills
3150	Apparel
3160	Leather and allied products
3210	Wood products
3221	Pulp, paper, and paperboard mills
3222	Converted paper products
3231	Printing and related support activities
3242	Integrated petroleum refining and extraction
3243	Petroleum refining without extraction
3244	Other petroleum and coal products
3251	Basic chemicals
3252	Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
3253	Pesticides, fertilizers, and other agricultural chemicals
3254	Pharmaceuticals and medicines
3255	Paints, coatings, and adhesives
3256	Soap, cleaning compounds, and toilet preparations
3259	Other chemical products and preparations
3261	Plastics products
3262	Rubber products
3271	Clay products and refractories
3272	Glass and glass products
3273	Cement and concrete products
3274	Lime and gypsum products
3279	Other nonmetallic mineral products
3311	Iron and steel mills and ferroalloys
3312	Steel products from purchased steel
3313	Alumina and aluminum production and processing
3314	Nonferrous metal (except aluminum) production and processing
3315	Foundries
3321	Forging and stamping

3322	Cutlery and hand tools
3323	Architectural and structural metals
3324	Boilers, tanks, and shipping containers
3325	Hardware
3326	Spring and wire products
3327	Machine shops, turned products, and screws, nuts, and bolts
3328	Coating, engraving, heat treating, and allied activities
3329	Other fabricated metal products
3331	Agriculture, construction, and mining machinery
3332	Industrial machinery
3333	Commercial and service industry machinery
3334	Ventilation, heating, air conditioning, and commercial refrigeration equipment
3335	Metalworking machinery
3336	Engines, turbines, and power transmission equipment
3339	Other general purpose machinery
3341	Computer and peripheral equipment
3342	Communications equipment
3343	Audio and video equipment
3344	Semiconductors and other electronic components
3345	Navigational, measuring, electro-medical, and control instruments
3346	Manufacturing and reproducing magnetic and optical media
3351	Electric lighting equipment
3352	Household appliances
3353	Electrical equipment
3359	Other electrical equipment and components
3361	Motor vehicles
3362	Motor vehicle bodies and trailers
3363	Motor vehicle parts
3364	Aerospace products and parts
3365	Railroad rolling stock
3366	Ship and boat building
3369	Other transportation equipment
3370	Furniture and related products
3391	Medical equipment and supplies
3399	Other miscellaneous manufacturing

WHOLESALE TRADE

DURABLE GOODS

4211	Motor vehicles and motor vehicle parts and supplies
4212	Furniture and home furnishings
4213	Lumber and other construction materials
4214	Professional and commercial equipment and supplies
4215	Metals and minerals (except petroleum)
4216	Electrical goods
4217	Hardware, and plumbing and heating equipment and supplies
4218	Machinery, equipment, and supplies
4219	Miscellaneous durable goods

NONDURABLE GOODS

4221	Paper and paper products
4222	Drugs and druggists' sundries
4223	Apparel, piece goods, and notions
4224	Grocery and related products
4225	Farm product raw materials
4226	Chemical and allied products
4227	Petroleum and petroleum products
4228	Beer, wine, and distilled alcoholic beverages
4229	Miscellaneous nondurable goods

RETAIL TRADE

4410	Motor vehicle and parts dealers
4420	Furniture and home furnishings stores
4431	Electronics and appliance stores
4440	Building material and garden equipment and supplies dealers
4450	Food and beverage stores
4461	Health and personal care stores
4471	Gasoline stations
4480	Clothing and clothing accessories stores
4510	Sporting goods, hobby, book, and music stores
4520	General merchandise stores
4530	Miscellaneous store retailers
4540	Nonstore retailers

TRANSPORTATION AND WAREHOUSING	
4810	Air transportation
4821	Rail transportation
4833	Petroleum tanker operations
4839	Other water transportation
4840	Truck transportation
4850	Transit and ground passenger transportation
4863	Pipeline transportation of crude oil, refined petroleum products, and natural gas
4868	Other pipeline transportation
4870	Scenic and sightseeing transportation
4880	Support activities for transportation
4920	Couriers and messengers
4932	Petroleum storage for hire
4939	Other warehousing and storage

INFORMATION

5111	Newspaper, periodical, book, and database publishers
5112	Software publishers
5121	Motion picture and video industries
5122	Sound recording industries
5131	Radio and television broadcasting
5132	Cable networks and program distribution
5133	Telecommunications
5141	Information services
5142	Data processing services

FINANCE AND INSURANCE

5221	Depository credit intermediation (Banking)
5223	Activities related to credit intermediation
5224	Non-depository credit intermediation
5229	Non-depository branches and agencies
5231	Securities and commodity contracts intermediation and brokerage
5238	Other financial investment activities and exchanges
5242	Agencies, brokerages, and other insurance related activities
5243	Insurance carriers, except life insurance carriers
5249	Life insurance carriers
5252	Funds, trusts and other financial vehicles, except REITs

REAL ESTATE AND RENTAL
AND LEASING

5310	Real estate
5321	Automotive equipment rental and leasing
5329	Other rental and leasing services
5331	Lessors of non-financial intangible assets (except copyrighted works)

PROFESSIONAL, SCIENTIFIC,
AND TECHNICAL SERVICES

5411	Legal services
5412	Accounting, tax preparation, bookkeeping, and payroll services
5413	Architectural, engineering, and related services
5414	Specialized design services
5415	Computer systems design and related services
5416	Management, scientific, and technical consulting services
5417	Scientific research and development services
5418	Advertising and related services
5419	Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES
AND ENTERPRISES

5512	Holding companies, except bank holding companies
5513	Corporate, subsidiary, and regional management offices

SUMMARY OF INDUSTRY CLASSIFICATIONS — Continued

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES

5611 Office administrative services
5612 Facilities support services
5613 Employment services
5614 Business support services
5615 Travel arrangement and
reservation services
5616 Investigation and security services
5617 Services to buildings and dwellings
5619 Other support services
5620 Waste management and remediation
services

EDUCATIONAL SERVICES

6110 Educational services

HEALTH CARE AND SOCIAL ASSISTANCE

6210 Ambulatory health care services
6220 Hospitals
6230 Nursing and residential care facilities
6240 Social assistance

ARTS, ENTERTAINMENT, AND RECREATION

7110	Performing arts, spectator sports, and related industries
7121	Museums, historical sites, and similar institutions
7130	Amusement, gambling, and recreation industries

ACCOMMODATIONS AND FOOD SERVICES

7210 Accommodations
7220 Foodservices and drinking
places

OTHER SERVICES

8110 Repair and maintenance
8120 Personal and laundry services
8130 Religious, grantmaking, civic,
professional, and similar
organizations

PUBLIC ADMINISTRATION

9200 Public administration